

Law issued on December 8,2006
On The Cancellation of Legislative Decree No.31 on Anti Dumping dated
August 5, 1967
and its substitution with the
“Law on the Protection of National Production”.

Article one

The present Law shall be applied on international commercial practices that cause injury or threaten to cause injury to the domestic industry or agriculture in Lebanon, or retard the establishment of such industry or agriculture, specifically when a given agricultural or industrial product is being dumped or subsidized by the governments of the exporting authorities.

This law shall also be applied on increased imports that cause serious injury or threaten to cause serious injury to the domestic industry or agriculture in Lebanon, and therefore lead to the imposition of safeguard measures.

Article Two

For the purposes of this Law, the following terms and expressions shall mean:

Dumping: dumping is exporting a product to Lebanon at a price less than its normal value.

Subsidy: Any financial contribution provided directly or indirectly, by the government of the country of origin or the exporting country or any public body that may result a benefit to the recipient of subsidy whether producers or exporters or a group of exporters or producers.

Increased Imports: Where a product – other than dumped or subsidized – is imported to Lebanon in such increased quantities, either in absolute terms to imports or relative to domestic production, as to cause or threaten to cause serious injury to domestic industry or agriculture that produces like or directly competitive products.

Normal value: The value of the like product when destined for consumption in the exporting country or in the country of origin or the cost of production in the country of origin plus a reasonable amount of administrative, selling and general costs and reasonable profits.

Provisional measures: Measures that prevent injury or the threat of injury, being caused during the investigation period. They may take the form of provisional duties or deposits or securities in the case of dumping or subsidy, or the form of provisional additional customs duties in the case of increased imports. Provisional measures shall not be more than the preliminary estimated margin of dumping, amount of subsidy or degree of injury.

Margin of Dumping: The difference between the export price and the normal value.

Countervailing duty: The duty imposed to the interest of the Treasury when countervailable subsidy is proven to have taken place.

Safeguard measure: Quantitative restrictions or customs duties surcharge or both, imposed in order to counteract increased imports to Lebanon

Article Three

An investigation to determine the existence of any alleged dumping, subsidy or, increased imports shall be initiated by the Investigating Body mentioned in Article 4 of this Law, upon a complaint lodged to the Ministry of Economy and Trade by the domestic industry or agriculture or by the officially recognized representatives of such industry or agriculture.

Article Four

The Investigating Body shall be composed of the Director General of Economy and Trade acting as coordinator, the Director General of the Ministry of Industry, the Director General of the Ministry of Agriculture and a Director General from the Customs.

The Investigating Body shall be assisted by trade specialists from the Ministry of Economy and Trade, and it may seek assistance from experts from concerned ministries and experts in such fields as, among others, statistics, accounting, and legal affairs, on a case- by -case basis. The remunerations of the experts shall be determined by virtue of a decision issued by the Minister of Economy and Trade.

Article Five

The investigating Body may request all helpful information it may need. Therefore it may listen to the testimonies which it considers relevant in respect of the

investigation in question, provided that due regard is given to the requirement of the protection of confidential information.

Notwithstanding the provisions of Customs Law, the secrecy provisions prescribed in Article 46 shall not apply to this Investigating Body.

Article Six

Upon the recommendation of the Investigating Body and by virtue of the decision of the Minister of Economy and Trade, provisional measures may be imposed if the Investigating Body has made a preliminary affirmative determination of dumping, subsidy or increased imports, and consequent injury to domestic industry or agriculture, before the decision of the final determination has been taken and if the Body finds that such measures would prevent the occurrence of injury during the investigation period.

The imposed duties shall be collected by virtue of the decision of the Minister of Economy and Trade, which shall be notified to the Higher Council of Customs for implementation, and then approved by the Council of Ministers. The duties shall remain provisional until a final decision has been issued, pursuant to Article 8 of this law, and may not last longer than 4 months.

The Investigating Body may suggest price undertakings, if it determines that a threat of injury is more likely to be realized if the dumped or subsidized imports continue to exist, but no exporter or government shall be forced to enter into such undertakings.

The exporters of the product under investigation in the cases of dumping or the importers of the product under investigation or the governments of the importing countries in the case of subsidy may, on the approval of their governments, submit to the Investigating Body price undertakings to increase the prices of their exports to Lebanon, to eliminate the margin of dumping or subsidy which has been determined in the preliminary determination.

Article Seven

If a final affirmative determination has been made of dumping, subsidy or increased imports, anti-dumping duties or countervailing duties or safeguard measures shall be imposed on the product under investigation, in addition to the applicable customs duty, being equivalent to the degree of injury caused by the dumping, the subsidy or increased imports the, as follows:

- a. Imposition of anti-dumping duties not more than the margin of dumping.
- b. Imposition of countervailing duties if the subsidy conferred to a product imported to Lebanon is countervailable.

c. Application of safeguard measures in the form of quantitative restrictions or in the form of customs duties surcharge or both in order to counteract increased imports to Lebanon, either in absolute terms in comparison with previous years or relative in comparison with domestic production.

None of the measures prescribed in the first paragraph of this Article shall be imposed unless it is proven, based on an investigation conducted by the Investigating Body at the Ministry of Economy and Trade as prescribed in the present Law, that dumped or subsidized imports caused or threaten to cause injury to domestic industry or agriculture or retarded the establishment of such industry or agriculture, or that increased imports caused or threaten to cause serious injury to the domestic industry or agriculture.

Article Eight

The definitive anti-dumping duties, countervailing duties or safeguard measures shall be determined by virtue of a decision issued by the Council of Ministers at the suggestion of the Minister of Economy and Trade, and following consultations with the Higher Customs Council.

Article Nine

The Investigating Body may review the need for the continued imposition of such duties, on its own initiative or upon a written and substantiated request by any interested party, provided that a certain period of time has elapsed since the issuance of the decision. Such period of time shall be determined by virtue of a Decree issued by the Council of Ministers, at the suggestion of the Minister of Economy and Trade.

The imposition of anti-dumping duties, countervailing duties and safeguard measures shall be terminated when the dumping or subsidy no longer exist or when imports are reduced. The amount of duties and measures shall vary equally to the variation of the margin of dumping, the amount of the subsidy or the volume of imports according to the same procedure of its imposition.

Article Ten

The Council of Ministers shall issue, at the suggestion of the Minister of Economy and Trade, a decree to define domestic industry or agriculture and their official representatives. The said decree shall set forth the mechanisms for the determination of dumping, subsidy, increased imports, injury and the causal link, and the rules and terms of application of anti-dumping measures, countervailing measures, provisional measures and price undertakings; the decree shall also

lay down the functions of the Investigating Body, within 3 months from the date of publication of the present Law in the Official Gazette.

Article Eleven

The Legislative Decree on Anti-dumping No. 31 of 5 August 1967 and all provisions inconsistent with the provisions of the present Law shall be deemed abrogated.

Article Twelve

The present Law shall come into force at the date of its publication in the Official gazette.